

MINUTES

MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION CONFERENCE COMMITTEE ON HOUSE AMENDMENTS TO SENATE BILL 390

Call to Order: By **CHAIRMAN BILL GLASER**, on April 9, 2001 at 5:18 P.M., in Room 422 Capitol.

ROLL CALL

Members Present:

Sen. Bill Glaser, Chairman (R)
Sen. John Cobb (R)
Sen. Bea McCarthy (D)

Members Excused: Rep. Bob Lawson, Chairman (R)
Rep. Kathleen Galvin-Halcro (D)
Rep. Roger Somerville (R)

Members Absent: None.

Staff Present: Linda Ashworth, Secretary
Connie Erickson, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Executive Action: SB 390, 4/7/2001

HEARING ON HB 390

Questions from Committee Members and Responses:

CHAIRMAN GLASER announced that the House members had previous committee commitments and would be unable to attend. He suggested the Senate members discuss their various concerns, which he would relate to the House members prior to the next conference committee.

CHAIRMAN GLASER suggested the committee adjust the time limit requirement for the election cycles, which would allow them to properly set budget authority. He related that SB 390 would be the only vehicle that could contain the changes.

SEN. JOHN COBB questioned whether the weighted average would be taken out of the bill. He articulated that a free conference committee would be needed to address the issue of time extensions for elections. He cited his belief that the weighted averages would be omitted.

CHAIRMAN GLASER agreed with **SEN. COBB**. **SEN. COBB** wondered if the first amendment, sponsored by **REP. GAY ANN MASOLO**, would be agreeable to the committee. **Connie Erickson** indicated she had drafted the amendment as coordination instruction with another bill.

SEN. COBB wondered if the time issue would create conflict. **Ms. Erickson** asserted that she would review the language with **Eddy McClure**.

CHAIRMAN GLASER reported that 5.6 million dollars would be available to insert into HB 2. **SEN. COBB** queried whether **Ryan's** Amendment would be introduced into SB 390. **CHAIRMAN GLASER** explained that **Ryan's** Amendment would take the ANB reversion money and deposit it into the flex fund, allowing it to be used outside the general fund.

SEN. COBB asked if the decrements were included in the bill. **CHAIRMAN GLASER** maintained that decrements would not be included in the flex fund.

SEN. COBB wondered if the flex money could be used for teacher salaries. **CHAIRMAN GLASER** believed the attitude of the House would limit salaries to non-tenured teachers.

SEN. COBB asked **Connie Erickson** if it would be difficult to insert the flex plan with the Ryan Amendment. He maintained the section dealing with non-tenure teachers salaries would be easy to change.

CHAIRMAN GLASER indicated the education community would propose ideas that would deal with the dispersment of the flex plan dollars. **Lance Melton, Montana School Boards Association**, responded that the information he had submitted to the conference committee included the decrements. He agreed to have updated information at the next meeting. **SEN. COBB** cited his objection to the flex plan.

SEN. BEA MCCARTHY referred to removing language on page two. She suggested removing, "or up to 94%". **CHAIRMAN GLASER** suggested that the phrase, "by 30% or more" would also have to be deleted from the bill. He asked **Jim Gillett** to explain why both numbers should be deleted. **Mr. Gillett** narrated that the two numbers would work together within the section.

SEN. ALVIN ELLIS commented that he would not have a problem with removing the weighted average. He felt the flex plan would address localized problems. **SEN. ELLIS** also endorsed the extension of the election deadline, since many schools were posting their elections on the premise that they would not be receiving funding.

SEN. COBB asked **CHAIRMAN GLASER** to relate **SEN. KEENAN'S** ideas regarding school funding. **CHAIRMAN GLASER** distributed information regarding flexibility of teaching hours and days.

Connie Erickson reiterated the changes would remove the 180 day attendance requirement, maintain a minimum of 1080 hours, retain the 187 day contract requirement and require any days added to the 7 PIR days, now required by the state, be used for professional development. **SEN. ELLIS** supported the proposal, stating that school districts could have unforeseen snow days late in the season. This would allow the school districts flexibility to make up the time.

SEN. MCCARTHY wondered if the proposal would permit school districts to set up the instructional time on a four, 10 hour day work week. **Lance Melton** postulated the bill would allow such an instructional week. **SEN. COBB** felt schools could determine the type of instructional week that would fit their needs.

CHAIRMAN GLASER explained the transition assistance fund. He contended a consolidated school district could request a vote of the people that would allow \$100 per student vote for a period of four years. The money could be used to move in or out of school buildings. He cited the case in Kalispell. The local vote would give the district approximately \$250,000 per year to move into a new building.

Eric Feaver, MEA/MFT, questioned the \$100 amount. **CHAIRMAN GLASER** indicated the transition assistance fund was based on the Kalispell school system.

Eric Feaver commented on his disdain for the "flex plan". He wondered how the money would be allocated, reminding the conference committee that the allocation model had not been

developed in the education community. **Mr. Feaver** insisted there would not be a statutory or contractual way to provide benefits to non-tenured teachers while ignoring tenured teachers.

Loran Frazier, School Administrators of Montana, reminded the conference committee of the pressing issue of the time table for school elections. He reported that Friday, April 13th would be the deadline date for setting elections. **SEN. MCCARTHY** suggested extending the deadlines by two weeks.

Madalyn Quinlan elaborated on problems with the statewide weighted average amendment attached to the bill. She purported that the Office of Public Instruction would draft amendments to address the problems.

Lance Melton questioned the need to spend time fixing amendments that would ultimately be removed. **CHAIRMAN GLASER** suggested the conference committee concentrate on issues that would remove the straight jacket from education.

Lance Melton reminded the committee that some election deadlines had already passed. He clarified that the twenty-one day extension would work only if the governor were to give the signal that she would sign the bill before April 18th. **CHAIRMAN GLASER** suggested getting a consensus of both houses and the governor.

Lance Melton asked if the committee had given consideration to alternative forms of public education that would use the internet and other electronic means to deliver curriculum.

THE COMMITTEE WAS RECESSED UNTIL 8:00 A.M. APRIL 10, 2001.

{Tape : 1; Side : A; Approx. Time Counter : 0 - 32}

Call to Order: **CHAIRMAN BILL GLASER**, reconvened the **CONFERENCE COMMITTEE ON HOUSE AMENDMENTS TO SENATE BILL 390** on April 10, 2001 at 8:10 A.M., in Room 405 Capitol. **All members were present.**

Questions from Committee Members and Responses:

CHAIRMAN GLASER enlarged on the previous day's discussion regarding the amendments to SB 390.

SEN. COBB questioned the commitment of keeping the weighted average intact in the bill. **REP. LAWSON** commented that the weighted average would be the only long term solution to education. **CHAIRMAN GLASER** held that the Senate leadership and

the Budget Office did not like the weighted average amendment.

REP. LAWSON requested that the weighted average remain in the bill and the issue of declining enrollment be added to the mix.

SEN. COBB suggested that money would be included in HB 121 for the flex plan. He explained that the flex plan money would not go into the base but would be dispersed to schools according to a formula described in SB 500. **CHAIRMAN GLASER** cited his belief that the weighted average would be deleted from the bill. He maintained the committee should work on other issues that would garner the same results.

Madalyn Quinlan addressed concerns with the weighted averages. She clarified the three categories of over-maxed districts, stating that a different ballot would be used for each of the three categories. One ballot would be used for equalized districts and another for an over-maxed district, resulting in a "free ride" for some districts. **REP. LAWSON** stated his intention that local money would be voted by the local taxpayers. The committee agreed to address an amendment that would rectify the problem.

Madalyn Quinlan spoke to the issue of over-maxed districts. She purported that some were grand-fathered in, based on the 1993 legislation; some were allowed to stay over the max because of an enrollment decline of less than 30%; and some that had declining enrollment of 30% or greater. **Jim Gillett** suggested taking away the distinction of more or less than 30%. **Ms. Quinlan** contended the fair thing to do would be to allow the school district to take the highest budget approved by the voters.

Ms. Quinlan raised the question of effective dates as they would relate to the state-wide weighted average. Currently, the bill instructs the State Superintendent to calculate the averages by February 1st. Schools would be notified by March 1st of each year, allowing them to adopt the budget in August, using the state-wide weighted averages. The greatest risk would be to discover that some districts didn't follow the budget laws.

REP. LAWSON queried whether alternative dates would improve the bill. **Ms. Quinlan** suggested that the July 1st effective date would allow schools to go over budget.

*{Tape : 1; Side : A; Approx. Time Counter : 0 - 32; Comments :
Tape dated 4-10-01.}*

SEN. MCCARTHY wondered what would happen if a district were to go over budget. **Ms. Quinlan** stated that it would be an issue between the school boards and the local voters. The Office of

Public Instruction would ask the districts to reduce their budgets.

Madalyn Quinlan offered a technical amendment that would change "maximum general fund programs" to "maximum general fund budgets" on page 11, line 26 and 29.

Motion/Vote: **SEN. MCCARTHY** moved that **SB 390 BE AMENDED "TO CHANGE MAXIMUM GENERAL FUND PROGRAMS TO MAXIMUM GENERAL FUND BUDGETS ON PAGE 11, LINES 26 AND 29". Motion PASSED 6-0.**

REP. SOMERVILLE wondered if a school district would break the law regarding equalization if it were to adopt a budget that would exceed their authority. **Madalyn Quinlan** reiterated that the Office of Public Instruction could ask the school district to reduce their budget.

SEN. MCCARTHY enlarged on the "Keenan Proposal", advising that the issue should not be brought into the proposal at the current time. **SEN. COBB** also stated his disinterest in the proposal.

SEN. COBB suggested delving into the idea of a flex plan, transition assistance and time extensions for school elections. **REP. SOMERVILLE** maintained the committee should not mess around with the time limits within the election time frames. He suggested changing the ending date from May to June.

CHAIRMAN GLASER asked the education community to return to the committee with suggestions and recommendations.

CHAIRMAN GLASER informed the committee that a free conference committee would be needed to deal with the question of the time extensions, the flex plan and the 94%/30% issue.

CHAIRMAN GLASER suggested the conference committee be dissolved to be replaced by a free conference committee.

{Tape : 1; Side : B; Approx. Time Counter : 0 - 17; Comments : Tape dated 4-10-01}

ADJOURNMENT

Adjournment: 9:45 A.M. (April 10, 2001)

SEN. BILL GLASER, Chairman

Linda Ashworth, Secretary

BG/LA/